GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4005
ANSWERED ON:09.08.2002
INCOME TAX DIRECTIVES ON PURCHASE OF HOUSES
RAMJI MANJHI

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have done away with the requirement of informing the income-tax authorities about the purchase of houses costing over 40 lakhs;

(b) if so, the reasons for taking such a decision; and

(c) the effect of such a decision on the blackmoney?

Answer

MINISTER OF STATE(REVENUE) IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a): Under the erstwhile provisions contained in Chapter XXC of the Income Tax Act 1961, any person intending to transfer an immovable property in specified areas at values exceeding specified amounts was required to file a statement in Form 37-I before the Appropriate Authority before the intended date of transfer. These provisions of Chapter XXC have been abolished w.e.f. 1st July, 2002.

(b): This was done to reduce procedural delays in registration of transfers of immovable properties and with a view to remove a source of hardship to the taxpayers.

(c): No undesirable effect has been noticed.